

# Application of Theory of Planned Behavior in Investigating the Determinants of Islamic Micro Finance Acceptance

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## ABSTRACT

The research aimed to study the factors influencing Islamic microfinance acceptance by young agribusiness entrepreneurs in northwestern Nigeria. The research investigated religiosity as a new variable introduced into theory of planned behavior (TPB) model, it also analyzed the interacting effect of religiosity among young agribusiness entrepreneurs' attitude, subjective norms, perceived behavioral control and intention to accept Islamic micro-financing in northwestern Nigeria. The paper employed quantitative research design; data was collected from a sample of three hundred and sixty seven (367) young agribusiness entrepreneurs using purposive sampling technique. Smart PLS was used to analyze the data. The findings revealed that attitude, subjective norms and perceived behavioral control are influential predictors of Islamic micro finance acceptance however religiosity was not. Conversely, result of religiosity interacting with subjective norms, perceived behavioral control and intention is negative, while interacting with attitude is positive. The study provide an insight to the policymakers especially, the affected state government and Central Bank of Nigeria (CBN) in devising a means for enhancing Islamic micro-financing acceptance in the country thereby providing alternative ways of youth employability through Agriculture and it will increase financial inclusion among young entrepreneurs thereby enabling CBN to achieve its target of improving financial

inclusion to 80% by 2020. To best of the researchers' knowledge is the first to integrate religiosity into the TPB model and test its moderating effects on Islamic microfinance acceptance by young agribusiness entrepreneurs in Northwestern Nigeria.

**Keywords: Islamic Micro Financing; Attitude; Subjective Norms; Perceived Behavioral Control; Religiosity.**

## 1. INTRODUCTION

Nigerian economic system was historically agrarian. There is still justifiable evidence based on the nature of the northern part of the country that the economy should continue to be agrarian economy. It is based on this understanding that government always takes agriculture as key economic policy in the country. In fact even recently the government promised to engage 740,000 youth as part of the effort to boost the agricultural revolution of the country. Moreover, additional 20,000 school leavers and rural youth were promised to be engaged. It further promises to engage about 18,500 graduates into agribusiness entrepreneur called "nagropreneurs"(Babangida, 2016).

Notwithstanding the effort of federal government towards agricultural revolution the major challenge is still financing. In fact it was asserted that one of the factors militating against the development of agriculture in Nigeria is the lack of finance. It was stressed that financing is a major impediment that

prevents farmers from investing in basic inputs, such as good seeds, fertilizers and small-scale irrigation needed to raise productivity and sustainable income (Ogbeh, 2016).

Interestingly, there are several alternatives to agricultural financing globally. For instance, in the Kingdom of Saudi Arabia Islamic microfinance is moving beyond its conventional counterpart to provide effective social and financial inclusion simultaneously through its twin tools that is credit lending and Zakkah that is to be given directly to the extremely poor in cash or in kind to satisfy their urgent and basic needs (Ali, 2014). Similarly, it was reported by Yemen micro finance network (YMN) 2013 that 60% of these institutions provide purely Islamic financial product and services.

In Nigeria, evidence confirmed that more than 50% of its population are Muslims (Yusuf, 2012), however, using Islamic micro financing in funding agriculture is still lacking. Hence, this study aims at investigating the determinants influencing intention to accept Islamic micro financing by Young Agribusiness Entrepreneurs in Northwestern Nigeria.

Based on the problem stated above that highlights the need for alternative sources of financing agribusiness in Nigeria among the youth, the research has been set to achieve the following objectives; to examine whether or not attitude will influence the intention of Young Agribusiness Entrepreneurs to accept Islamic micro financing in Northwestern Nigeria, to examine whether or not subjective norm will influence the intention of Young Agribusiness Entrepreneurs to accept Islamic micro financing in Northwestern Nigeria, to examine whether or not perceived behavioral control will influence the intention of Young Agribusiness Entrepreneurs to accept Islamic micro financing in Northwestern Nigeria, to examine whether or not religiosity will moderate the influence of attitude, subjective norms and perceive behavioral control on intention to accept Islamic micro financing by Young Agribusiness Entrepreneurs in Northwestern Nigeria. The paper formation is as follows; this part is introduction, second section is literature review, third section is methodology, fourth section is result and discussion while the last section is conclusion and implications.

## 2. LITERATURE REVIEW

This section presents previous researches and various literature related to the subject matter. As a framework of reference, key issues were reviewed and

synthesized. The study begins with conceptual framework to establish the concepts and meaning of intention to accept Islamic micro financing, empirical review on subject matter and finally, theories that underpin the study.

### 2.1 Intention to Accept Islamic micro financing

According to the Theory of Reasoned Action (TRA) and Theory of Planned Behavior (TPB) developed by Fishbein and Ajzen (1975) and (Ajzen, 1991) intention is built from individual's attitude, social influence based on surrounding environment as well as the extent to which individual has control over his/her actions. Specifically, the TRA postulated that the predictors of intention are individual's attitude toward the behavior and subjective norms based on environment that surrounds a person that exercises such behavior (Fishbein & Ajzen, 1975). It was later discovered that not only these two important variables that predicts intention but also perceived behavioral control. It was on this notion that TRA was extended to integrate that variable into TPB (Ajzen, 1991). Furthermore, it was also suggested by Fishbein and Ajzen (1975) any additional predictor variables that can possibly explain intention can be included into TRA and TPB. Hence, religiosity has been proposed as a potential moderator in TPB. This is based on expectation that Young Agribusiness Entrepreneurs with high religiosity will be more likely to accept Islamic Micro Financing compared to those that are less religious.

### 2.2 Effects of Attitude on Islamic micro financing Acceptance

The individuals' feelings, either positive or negative towards execution of certain action are what defined such individuals' attitude towards performing a behavior (Fishbein & Ajzen, 1975). Individuals' attitude towards a behavior is evaluated based on his/her beliefs regarding the implication that can follow consequent to the behavior performance. Attitude also covers one's evaluation of desirability or otherwise of consequences following the executing a particular action. The theories of TRA and TPB explained clearly the extent to which attitude predicts behavioral intention (French, et al., 2005). This was also explained by many meta-analytical reviews (Armitage & Conner, 2001; and Godin & Kok, 1996).

In Nigeria, little empirical evidence exists on the influence of attitude on intention to accept Islamic Micro financing especially among Young Agribusiness Individuals. However, little has been studied in relation

to other Islamic financial products such as Takaful acceptance. For instance, one of the earlier studies in Nigeria was that of Yusuf (2012) which was purely conceptual. The empirical study to that effect was that of Maiyaki and Ayuba (2015) which studied three (3) antecedents of attitude: awareness, trust and perception which were found to have a strong effect on attitude towards Takaful acceptance. More so, Mustapha et al., (2016) proved that attitude has positive and significant impact on cheating intention among Malaysian Muslim students. Therefore, based on context of empirical evidence on the influence of attitude on the acceptance of Islamic Microfinance, the following hypothesis has been developed:

*H1: Attitude affects intention to accept Islamic micro financing by Young Agribusiness Entrepreneurs in Northwestern Nigeria.*

### **2.3 Effects of Subjective Norms on Islamic micro financing Acceptance**

Subjective has been proposed as a significant factor that affects individuals' attitude and intention towards a certain behavior by previous studies (Rivis & Sheeram, 2003b; and Hsu & Lu, 2004). Subjective norms which refers to individuals' perception of the expectation from significant to others (Ajzen & Fishbein 1977). Elek, *et al.*, (2006) argue that the demonstrability of most people's behavior influences individuals own behavior. People tend to believe that a behavior is sensible when they observed many others are doing so (Wang & Chuan, 2011). Likewise, when making decision in order to reduce cognitive effort, people tend to follow others choices rather than making their own judgment (Bonabeau, 2004).

Empirically, subjective norms have been explored in other countries particularly in context of Islamic finance related studies. For instance, Taib, Ramayah and Razak (2008); Amin (2012); Jamshidi and Hussin (2012) assessed subjective norms as a strong predictor of customer intention in Islamic micro finance. Also a subjective norm was found to be strongly and significantly positive on intention to enroll in Islamic accounting course, to use internet banking, to use enterprise resources planning system and to cheat among Malaysian Muslim students respectively (Gopi & Ramaya, 2007; Amin, 2009; Amin, et al., 2009; Calisir, et al., 2009; and Mustapha *et al.*, 2016). Similarly, according to Haque et al. (2015), subjective norms can influence non-Muslim consumer intention to consume halal food products. Venkatesh and Davis (2015) discovered subjective norms in a post hoc

analysis to be high and stably correlated to the intention than other determinants.

Despite the fact that subjective norm is a significant predictor of intention, evidence is not readily available on its influence on agribusiness entrepreneurs' acceptance intention of Islamic micro financing globally, and more specifically among Young Agribusiness Entrepreneurs in Northwestern Nigeria. Therefore, the following hypothesis has been developed.

*H2: Subjective norm affects intention to accept Islamic micro financing by Young Agribusiness Entrepreneurs in Northwestern Nigeria.*

### **2.4 Effects of Perceived Behavioral Control on Islamic micro financing Acceptance**

Perceived behavioral control can be defined as the ability of an individual to execute a particular behavior (Ajzen, 1991). There are two components of perceived behavioral control; (1) is the extent to which person has control over his/her behavior, and (2) the level of confidence someone possesses in performing such behavior. Literature showed that perceived behavioral control is an important predictor of intention (Armitage & Conner, 2001; Godin & Kok, 1996; and Kidwell & Jewell, 2003).

In relation to acceptance of Islamic Micro Financing by Young Agribusiness Entrepreneurs literature is still lacking on the influence of perceived behavioral control. However, for other Islamic financial products such as Takaful evidence has been documented. For instance, it was found that perceived behavioral control which was operationalized as access to information in relation to Takaful has significant positive influence on Takaful acceptance intention (Rahim & Amin, 2011). Husin and Rahman (2013) confirmed this finding in family takaful concept. Similarly, a review of the possible predictors of Takaful participation intention showed that perceived behavioral control is an important predictor of such intention (Md Husin & Ab Rahman, 2013). Shah and Nazura, (2011) confirmed the force of perceive behavioral control on consumers' intentions in purchasing halal food. Alam, et al., (2012) finding revealed that perceive behavioral control is significant variable to forecast customers' intentions in the context of Islamic home financing. Conversely, perceived behavioral control has no significant impact on cheating intention among Malaysian Muslim students (Mustapha et al., 2016)

Despite empirical evidence on the influence of perceived behavioral control on intention to accept other Islamic financial products such as Takaful, in Nigeria evidence is lacking on the acceptance intention of Islamic micro financing. Thus, the following hypothesis is developed.

*H3: Perceived behavioral control affects intention to accept Islamic micro financing by Young Agribusiness Entrepreneurs in Northwestern Nigeria.*

## 2.5 Moderating Effects of Religiosity on the Influence of Attitude, Subjective Norms and Perceived Behavioral Control on Islamic Micro Financing Acceptance

In broadest sense, religiosity is a comprehensive sociological term used to refer to the numerous aspects of religious activity, dedication and belief (Religious doctrine). It was asserted that religion is one of the most universal and influential social institutions which have significant influence on people's attitudes, values and behaviors at both individual and societal levels (Alam, et al., 2012). Ogunbado (2012), argue that there is no single meaning that can be assigned to the word "religion" for the reason of its diversity. In addition, religiosity plays an important function in a people's lives by shaping their knowledge, beliefs and attitudes (Rahman & Shabbir, 2010).

Specifically, with respect to acceptance of Islamic financing, religiosity was found to have an influence on its acceptance intention in Malaysia and Nigeria. This was based on empirical evidence reported in the work of Alam, et al., (2012) and Mas'ud and Umar, (2019) Therefore, from this evidence it can be said that religiosity affects intention; however there is relatively small empirical evidence in Nigeria on its influence on the intention to accept Islamic Micro Financing by Young Agribusiness Entrepreneurs in Northwestern Nigeria. Therefore, the following hypothesis has been developed:

*H4: Religiosity affects intention to accept Islamic micro financing by Young Agribusiness Entrepreneurs in Northwestern Nigeria.*

Furthermore, Ajzen (1991) suggested for inclusion of additional predictor variable that can explain intention. Thus, it has been proposed in this study that religiosity could have a strong moderating influence on the effect of attitude, subjective norms, and perceived behavioral control on intention to accept Islamic Micro financing by Young Agribusiness Entrepreneurs. Specifically, it can be argued that such influence could be stronger for Young Agribusiness Entrepreneurs with high religious

commitment than with those with low religious commitment. Specifically, the effect of attitude, subjective norms and perceived behavioral control on intention to accept Islamic Micro Financing will be stronger for Young Agribusiness Entrepreneurs with high religious commitment and dedication than those with low religious commitment and dedication. Therefore, it can be hypothesized that:

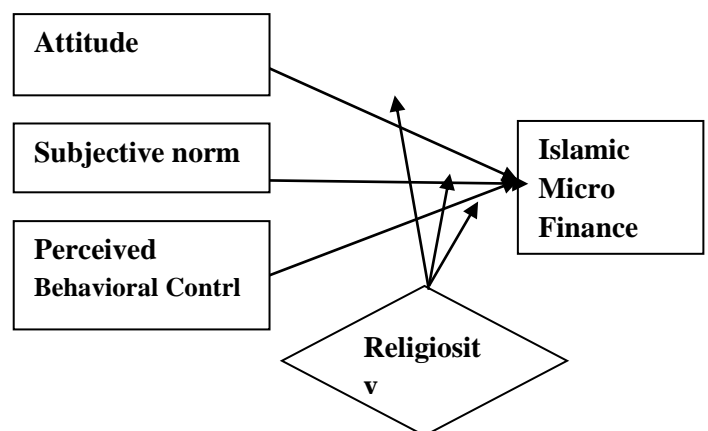
*H5: Religiosity moderates the effects of attitude on intention to accept Islamic micro financing by Young Agribusiness Entrepreneurs in Northwestern Nigeria.*

*H6: Religiosity moderates the affects of subjective norms on intention to accept Islamic micro financing by Young Agribusiness Entrepreneurs in Northwestern Nigeria.*

*H7: Religiosity moderates the affects of perceived behavioral control on intention to accept Islamic micro financing by Young Agribusiness Entrepreneurs in Northwestern Nigeria.*

## 2.6 Proposed frame work

The framework of this research was proposed based on the renowned Theories. These include Theory of Reason Action (TRA) developed by Fishbein and Ajzen (1975) and Theory of Planned Behavior (TPB) by Ajzen (1991). To further add value to existing body of knowledge and expand these theories based on the context and nature of the research additional variable which is religiosity has been added as a moderator to examine whether it has significant moderating influence in the theories as contained in the proposed framework. This addition was based on Ajzen (1991) who suggest for integrating any additional variable in TPB that can explain human behavior.



**Fig. 1: Propose model for Young Agribusiness Entrepreneurs Acceptance of Islamic micro financing.**

### 3. METHODOLOGY

Quantitative research design was employed. Statistical analysis was carried out for the data collected through questionnaires which responses were converted to numbers; presented in the following subsections are the comprehensive discussion about methodology

#### 3.1 Area/Site of the Study

The study has cover seven states in Northwestern Nigeria which by the nature has the largest youth population and fertile land in the country. This covers Kano, Jigawa, Katsina, Kaduna, Sokoto, Kebbi, and Zamfara states.

#### 3.2 Subjects/Samples

P Young Agribusiness Entrepreneurs domicile in the seven Northwestern states of Kano, Jigawa, Katsina, Kaduna, Sokoto, Kebbi, and Zamfara states served as samples of the study.

#### 3.3 Sampling Techniques

A non probability sampling techniques has been adopted. The purpose for using this instead of simple random sampling can be justified by the fact that there is no statistical data on the total number of Young Agribusiness Entrepreneurs in these states to enable the use of probability method of sampling determination. Hence, a purposive random sampling has been adopted to enable the researchers to use any available Young Agribusiness Entrepreneurs as a sample during the research.

#### 3.4 Data Collection

Data was collected from three hundred and sixty seven (367) young agribusiness entrepreneurs through questionnaire designed for the purpose. Questionnaire was adapted from the work of Amin, (2012) and Maiyaki and Ayuba (2015).

Research assistant was deployed to each of the seven states that served as the area of the study. This exercise was completed within three months.

#### 3.5 Data Analysis

Data collected for the research has been analyzed using Partial Least Square Structural Equation Modeling using Smart PLS version 2.0.

#### 3.6 Models Specification

For the purpose of the study simple multiple regression used in the research model as expressed below:

$$AIMF_i = \beta_0 + \beta_1 ATT_i + \beta_2 SN_i + \beta_3 PBC_i + \epsilon_i$$

.....e1

$$AIMF_i = \beta_0 + \beta_1 ATT_i + \beta_2 SN_i + \beta_3 PBC_i + \beta_4 RL_i + \epsilon_i$$

.....e2

$$AIMF_i = \beta_0 + \beta_1 ATT_i + \beta_2 SN_i + \beta_3 PBC_i + \beta_4 RL_i + \beta_5 ATT \times RL_i + \beta_6 SN \times RL_i + \beta_7 PBC \times RL_i + \epsilon_i$$

.....e3

Where:

$AIMF_i = AIMF$  = Acceptance of Islamic Micro Financing

$\beta_0$  = Beta value of the constant

$\beta_1 - \beta_3$  = Beta values of independent variables (Attitude, Social Influence, and Per. Behavioral Control)

$\beta_4$  = Beta value of the moderator (Religiosity)

$\beta_5 - \beta_7$  = Beta values of the interaction effects (Attitude X Religiosity, Subjective Norms X Religiosity, and Perceived Behavioral Control X Religiosity)

$i$  = Cross-sectional observations

$\epsilon_i$  = Error term.

### 4. RESULTS

Analysis of data are presented in this section which include descriptive analysis of the dependent and independent variables, normality of data test for all the variables, collinearity analysis of independent variables as well as regression analysis for testing the proposed hypotheses.

#### 4.1 Descriptive Analysis

The reason for conducting this analysis is to ensure that the values are within the measurement format as proposed in the methodology so as to avoid data imputation error and to understand the distributions of responses for all the variables under the study in which incorrect figure would be recorded during the data entry. To achieve this, including the analysis of

minimum, maximum, mean and standard deviation scores were used as criteria in table 1.

**Table 1: Descriptive Statistics**

Variables	N	Min	Max	Std.	
				Mean	Dev
Intention	367	1.00	5.00	4.1678	8.84488
Attitude	367	1.00	5.00	4.3955	7.4657
Subjective norms	367	1.00	5.00	3.9346	7.9805
Per. Be. Con.	367	1.00	5.00	4.0627	8.2264
Religiosity	367	1.00	5.00	4.4355	6.3285

The output of the descriptive analysis revealed that three hundred and sixty seven (367) participated as respondent in the survey which confirmed the response percentage reported as in the above table. It also revealed that maximum and minimum values are within the measurement specified for each independent and the dependent variables under the study. The scores for the mean range from highest of 4.4355 to the lowest of 3.9346, these are for all the variables which is measured based on a scale of 1-5. Correspondingly, the values for the standard deviation are in consistent with mean values.

#### 4.2 Test of Data Normality

As it is required that data should be normally distributed. Osborne and Waters (2002) argue that one of the major conditions for regression analysis is normality of data. Also Curran, West and Finch (1996) recommendation for normality of data and West, Finch and Curran (1995) were followed; which as a result suggested that for Skewness, the value should be less than two (2) and less than seven (7) for Kurtosis.

**Table 2: Normality Tests**

Variables	Skewness		Kurtosis	
	Statistic	Std. Err.	Statistic	Std. Err.
Intention	-1.589	.127	2.768	.254
Attitude	-2.008	.127	4.908	.254

Subjective norms	-.836	.127	.950	.254
Per. Beh. control	-1.489	.127	2.920	.254
Religiosity	-2.217	.127	7.428	.254

The above table revealed the result of normality of data test which is enough evidence that data is normal as most of the variables are within the threshold acceptable for Skewness and Kurtosis which is two (2) and seven (7) respectively.

#### 4.3 Multi-Collinearity Test

Osborne and Waters, (2002) argue that another supposition for regression analysis is test of collinearity. This requires that the multi-collinearity of independent variables should not be highly correlated. As such one of them could be redundant when variables affected performs the same function in the research model. Hair, Ringle and Sarstedt (2013) and Hair, *et al.*, (2016) recommended the use of tolerance and variance inflation factor of 0.20 and 5 correspondingly to test multi-collinearity. The findings of the collinearity analysis using recommended approach are presented in the table below.

**Table 3: Co-Linearity Test**

Variables	Collinearity Statistics	
	Tolerance	VIF
Attitude	.469	2.130
Subjective norms	.548	1.826
Perceived behavioral control	.625	1.599
Religiosity	.508	1.968

According to the results in the above Table, it shows that multi-collinearity is not an issue as tolerance is above 0.20 and VIF is less than 5 as recommended by Hair, *et al.*, (2013) and Hair, *et al.*, (2016). The following subheading presented the result of regression analysis regarding hypothesis testing of the study.

#### 4.4 Regression Result for Testing Hypothesis

Satisfaction of the important assumptions regarding regression investigation relating to the linearity of variables and normality of the data is presented in table

4 showing the impact of each independent variable to the dependent variable and also the table presented the result of the hypothesis testing.

**Table 4: Regression Analysis for Hypotheses**

Hypo.	Relationship	Unstand. Stand			Decision
		Coef.	Coef.	T Sig.	
H <sub>1</sub>	Att=> Int	.40	.05	.36	7.80.00 Supported
H <sub>2</sub>	Sub Intention	Nor,=> .28	.05	.26	5.57.00 Supported
H <sub>3</sub>	Per. Beh. Int	con=> .27	.05	.27	5.96.00 Supported
H <sub>4</sub>	Rel=> Intention	.04	.07	.03	.61 .27 Not Supported
H <sub>5</sub>	RelXAtt=> Int	.13	.08	.73	1.59.06 Supported
H <sub>6</sub>	Rel X Sub. Int	nor=> -.00	.08	-.08	-.04 .48 Not Supported
H <sub>7</sub>	RelXPBC => Int	-.13	.08	-.76	- 1.64 .05 Supported

Firstly, hypothesis H1 postulated that attitude affects intention to accept Islamic micro financing by young agribusiness entrepreneurs in Northwestern Nigeria. The hypothesis was supported (B = 0.40, t = 7.80 and p = 0.00). It revealed that Attitude has a positive and significant effect on intention to accept Islamic micro financing by young agribusiness entrepreneurs in Northwestern Nigeria. Secondly, hypothesis H2 proposed that subjective norms affects intention to accept Islamic micro financing by young agribusiness entrepreneurs in northwestern Nigeria. Interestingly, this result supported the hypothesis (B = 0.28, t = 5.57 and p = 0.00). It implies that subjective norms have positive significant effect on intention to accept Islamic micro financing among young agribusiness entrepreneurs in Northwestern Nigeria.

Thirdly, hypothesis H3 state that perceived behavioral control affects intention to accept Islamic micro financing by young agribusiness entrepreneurs in

Northwestern Nigeria. The finding is in line with hypothesis (B = 0.27, t = 5.96, and p = 0.00). It signifies that perceived behavioral control also have positive significant influence on intention to accept Islamic micro financing. In the same vein, hypothesis H4 proposes that religiosity affects intention to accept Islamic micro financing by young agribusiness in northwestern Nigeria. However, the result revealed contrary finding (B = 0.4, t = 0.61 and p = 0.27). It shows that religiosity has insignificant influence on intention to accept Islamic micro financing.

The effect of independent variable religiosity interaction with attitude and intention is positive with coefficient value of 0.13. This means that a small change religiosity interacting attitude while other variables remain constant will increase the intention by 13%. The P-value of 0.06 further suggests the significant influence of the independent variable on the dependent variable of the study which goes in line with hypothesis (H5) which states that, religiosity moderates the effects of attitude on intention to accept Islamic micro financing by Young Agribusiness Entrepreneurs in Northwestern Nigeria.

The effect of independent variable religiosity interaction with subjective norms and intention is negative with coefficient value of -0.00. This means that a small change in religiosity interacting with subjective norms while other variables remain constant will decrease the intention by 0%. The P value of 0.48 further suggests the insignificant influence of the independent variable on the dependent variable of the study which did not support hypothesis (H6) which states that, religiosity moderates the effects of subjective norms on intention to accept Islamic micro financing by Young Agribusiness Entrepreneurs in Northwestern Nigeria.

The effect of independent variable religiosity interaction with perceived behavioral control and intention is negative with coefficient value of -0.13 this means that a small change in religiosity interacting perceived behavioral control while other variables remain constant will decrease the intention by 13%. The P-value of 0.05 further suggests the significant influence of the independent variable on the dependent variable of the study which leads us to accept the hypothesis (H7) which states that, religiosity moderates the effects of perceived behavioral control on intention to accept Islamic micro financing by Young Agribusiness Entrepreneurs in Northwestern Nigeria.

## 5. CONCLUSION AND IMPLICATION

### 5.1 . Conclusion

The paper proposed and validated the model for young agribusiness entrepreneurs' acceptance of Islamic micro financing through application of theory of planned behavior with some modification to investigate the determinants on acceptance of Islamic micro financing by young agribusiness entrepreneurs in northwestern Nigeria. As a result the regression analysis was used to test the proposed hypothesis of the model, which provide progression finding with regard to the determinants of Islamic micro financing acceptance. More significantly, these findings materialized from distinctive sector; agribusiness entrepreneurs.

The finding regarding the effect of attitude on intention to accept Islamic micro financing was found to be positive and significant which is in line with postulation of TRA and TPB by Fishben & Ajzen (1975); Ajzen (1991) and findings of the previous studies; Maiyaki and Ayuba, (2015); Taib, et al., (2009); Abdul-Rahim and Amin (2011); Ramayah, et al., (2009) and Zheng, et al., (2009) which proved that attitude strongly affect intention towards acceptance. The possible explanation to this could be that the young agribusiness entrepreneurs have similar or comparable attitude as regard to Islamic micro finance acceptance. The implication of this result may possibly be the more favorable attitude to accept a given product/services the higher the intention to acceptance of Islamic micro financing by this category of entrepreneurs.

The finding on the effect of subjective norms on intention to accept Islamic micro financing is consistent with the earlier studies; (Gopi & Ramaya, 2007; Amin, 2009; Amin, et al., 2009; and Calisir, et al., 2009) which had proven that subjective norms has a significant effect and direct relationship on intention to enroll in Islamic accounting course, to use internet banking and to use enterprise resources planning system respectively. This implies that young agribusiness entrepreneurs with support of social referents from peers, relatives and religious guiders would probably have strong and positive intention towards acceptance of Islamic micro financing among young agribusiness entrepreneurs in northwestern part of the country.

The current result on the influence of perceived behavioral control on intention to accept Islamic micro financing could be supported by suppositions of theory

of planned behavior which highlighted that perceived behavioral control predict intention of individuals. As such, this findings revealed perceived behavioral control has significant and positive influence on intention to accept Islamic micro financing by young agribusiness entrepreneurs, which is consistence with the findings of Rahim & Amin, (2011), Steinmetz, et al., (2011), Soumaila & Idris, (2019), and Vasquez, et al., (2019). This implies that, the higher the ability of person control over his behavior, the more intention to accept Islamic micro financing by young agribusiness entrepreneurs in the region.

The finding of the study in relation to the significant and positive effect on intention to accept Islamic micro financing is contrary to the finding of Alam, et al., (2012) and Mas'ud & Umar, (2019) who discovered that religiosity has significant and positive effect on intention to accept Islamic home financing and Islamic micro financing respectively. The implication of this finding is that the higher the level of religiosity, the lower the intention to accept Islamic micro finance among young agribusiness entrepreneurs particularly in the northwestern Nigeria.

The result on moderating effect of religiosity on the influence of attitude, subjective norms and perceived behavioral control on Islamic micro financing acceptance could be supported by previous suppositions; (Lee, 2007; Yakubu & Alhaji, 2016; Ogunbado, 2012; Karim & Altab, 2016; Ogunbado, & Mamman, 2016 and Farouk et al., 2018). The current study finally proved religiosity as a positive and influential moderator in the proposed model among the three variables of TPB, religiosity could highly moderate the relationship between Attitude, Perceived behavioral control and Intention to accept Islamic micro financing. Signifying that young agribusiness entrepreneurs with high religiosity are likely to accept and uphold Islamic micro financing than those with low religiosity. However, the result shows negative and insignificant interaction of religiosity between subjective norms and intention towards acceptance of Islamic micro financing by young agribusiness entrepreneurs.

### 5.2 Practical and Theoretical Implications

The study proposes some implication in different aspects; theoretical and practical. For the theoretical implication, the study has validated TPB model in Islamic micro finance perspective and has considerably integrated religiosity in TPB model which examine it as a variable that predict and moderate intention to



accept Islamic micro financing, which is considered as development regarding the theory. Practically, the research would be potentially enough in highlighting to the policy makers especially, the affected state government and Central Bank Nigeria (CBN) in devising a means for enhancing Islamic micro financing acceptance by young agribusiness entrepreneurs in the country thereby providing alternative ways of youth employability through Agriculture. And finally the study will increase financial inclusion among young agribusiness entrepreneurs thereby enabling CBN to achieve its target of improving financial inclusion to 80% by 2020.

### 5.3 Limitation and Future Research Directions

Firstly, the current study was limited to young agribusiness entrepreneurs in Northwestern part of the country. There are young agribusiness entrepreneurs in the other part of the country as well. In order to improve the generalization of the study, future researchers could extend their studies to cover the remaining region. Secondly, not all determinants of intention are used in this study as the Theory of Plan Behavior suggest, additional variables could be added that can predict intention. Thirdly, the use of appropriate mediator and other moderating variables is recommended.

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